

## Digital Transformation in HR Management: The Impact of Automation on Employee Productivity and Wellbeing

Fauziah F. Farawowan<sup>1</sup>, Olyvia Rosalia<sup>2</sup>, Firayani<sup>3</sup>, Andreas Recky Prasetyo<sup>4</sup>

<sup>1</sup> STIE Port Numbay Jayapura

<sup>2,3</sup> UIN Sultan Thaha Saifuddin Jambi

<sup>4</sup> Universitas Padjadjaran

Email: [fauziahfarawowan2@gmail.com](mailto:fauziahfarawowan2@gmail.com)\*<sup>1</sup>

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### ABSTRAK

Transformasi digital dalam manajemen sumber daya manusia (SDM) telah menjadi fokus utama bagi banyak organisasi untuk meningkatkan efisiensi dan efektivitas operasional. Salah satu aspek yang paling menonjol adalah penerapan automasi dalam berbagai proses HR, mulai dari rekrutmen, pelatihan, hingga penilaian kinerja. Penelitian ini bertujuan untuk menganalisis pengaruh automasi terhadap produktivitas dan kesejahteraan karyawan dalam organisasi. Dengan menggunakan metode kuantitatif melalui survei kepada karyawan di beberapa perusahaan, hasil penelitian menunjukkan bahwa penerapan automasi di sektor SDM dapat meningkatkan produktivitas kerja, mengurangi beban administratif, dan memberikan waktu lebih bagi karyawan untuk fokus pada tugas-tugas yang lebih strategis. Selain itu, automasi memungkinkan organisasi untuk mengambil keputusan berbasis data yang lebih akurat, sehingga meningkatkan efektivitas strategi SDM. Namun, automasi juga menimbulkan tantangan baru, termasuk kecemasan terkait peran kerja, adaptasi terhadap teknologi, serta kesejahteraan mental karyawan. Kurangnya pelatihan dan komunikasi yang efektif dapat memicu resistensi dari karyawan terhadap perubahan yang terjadi. Oleh karena itu, penting bagi organisasi untuk mempertimbangkan pendekatan yang berimbang antara teknologi dan aspek manusia dalam implementasi automasi di manajemen SDM, termasuk strategi komunikasi dan pengembangan keterampilan karyawan agar transisi digital dapat berjalan dengan lancar dan berkelanjutan.

**Kata Kunci:** Transformasi Digital, Manajemen SDM, Automasi, Produktivitas

### ABSTRACT

*Digital transformation in Human Resource Management (HRM) has become a major focus for many organizations to improve operational efficiency and effectiveness. One of the most prominent aspects is the implementation of automation in various HR processes, from recruitment, training, to performance appraisal. This study aims to analyze the effect of automation on the productivity and well-being of employees in the organization. By using quantitative methods through surveys to employees in several companies, the results showed that the implementation of automation in the HR sector can increase work productivity, reduce administrative burden, and provide more time for employees to focus on more strategic tasks. In addition, automation enables organizations to take more accurate, data-driven decisions, thereby increasing the effectiveness of HR strategies. However, automation also poses new challenges, including anxiety related to work roles, adaptation to technology, and employee mental well-being. Lack of training and effective communication can trigger resistance from employees to the changes taking place. Therefore, it is important for organizations to consider a balanced approach between technology and human aspects in the implementation of automation in HR management, including communication strategies and employee skill development so that the digital transition can run smoothly and sustainably.*

**Keywords:** Digital Transformation, HR Management, Automation, Productivity



## PENDAHULUAN

The rapid development of digital technology has had a significant impact on various aspects of business, one of which is in the field of Human Resource Management (HR). In this context, the implementation of digital technology in HR management is known as HR Tech. HR Tech includes the implementation of various technology-based tools and systems such as automation, artificial intelligence (AI), and data analytics to improve efficiency and effectiveness in HR processes (Fajriyani et.al., 2023). The use of this technology allows companies to automate administrative tasks that used to take a lot of time and effort, such as payroll, recruitment, and performance evaluation, thereby reducing the risk of human error and improving data accuracy. In addition, technologies such as AI are also being used in smarter data-driven decision-making, as well as in improving the employee experience through self-service applications that make it easier for them to access information related to their work and well-being. Along with this development, more and more companies are turning to digital-based systems to manage their human resources more effectively and efficiently, given that technology can provide a significant competitive advantage in an increasingly dynamic and challenging business world (Melliasari et.al., 2024)

Automation in Human Resource Management (HRM) refers to the application of technology to replace or support administrative tasks that are usually done manually. In this context, automation includes the use of software for Personnel Administration, artificial intelligence (AI) - based recruitment, automated performance evaluation, as well as digital payroll systems. With automation, companies can speed up various processes that were previously time consuming, such as managing employee data, scheduling interviews, and calculating salaries. This not only reduces the potential for human error (human error), but also improves overall operational efficiency (Steward et.al., 2024). In addition, technologies such as HR chatbots and self-service applications make it easy for employees to access the information they need, such as Leave data, salary, or questions related to company policies, anytime and anywhere. This automation allows HR to focus more on more strategic activities, such as employee development and smarter data-driven decision-making, which ultimately improves employee performance and satisfaction within the organization (Nazarudin & Kuswinarno., 2024).

Automation in HR management has a significant impact on employee productivity. By reducing the usually time-consuming administrative burden, automation allows employees to focus more on more strategic and value-added tasks, such as Employee Development Planning and improving team performance. The increased work efficiency created by automation, such as automation of payroll, recruitment, and performance evaluation, helps reduce time spent on less important routine tasks, resulting in increased overall productivity (Pratama et.al., 2023). Several studies have shown that the implementation of digitization in HR not only speeds up the decision-making process, but also increases employee job satisfaction. This is due to the ease of access to information, better transparency, and reduction of administrative errors that can compromise employees' comfort and trust in the company's systems. Thus, automation not only increases productivity but also contributes to the creation of a more efficient and satisfying work environment for employees.

Automation in HR management can have both positive and negative impacts on employee well-being. On the positive side, automation helps reduce the monotonous administrative workload, giving employees more time to focus on more strategic and

creative tasks. It also increases work flexibility, where employees can access information and complete their tasks more efficiently, even remotely, potentially creating a better balance between work and personal life (Masram & Mu'ah 2023). However, on the other hand, there are negative impacts that need to be considered. One of them is the fear that employees will lose their jobs due to the increased use of technology, which can make them feel threatened. In addition, adaptation to new technologies can also increase stress for employees unfamiliar with digital tools, which takes time and effort to learn and adapt. The need to constantly improve digital skills is also a challenge, especially for those who feel less prepared for such changes. Therefore, it is important for companies to provide sufficient support in the form of training and skill development to help employees adapt to the changes taking place (Handayani, 2024).

Digital transformation in HR management has significant impacts on employee productivity and wellbeing. While automation can improve job satisfaction, workplace relationships, and physical and mental wellbeing (Valtonen & Kimpimäki, 2023), it also presents challenges. The digitalization of HR practices can have negative effects on employee well-being, necessitating new management solutions to preserve workplace wellness (Fedorova et al., 2019). However, HR digital transformation offers benefits such as enhanced operational efficiency, faster time to market, and improved customer satisfaction (Kumar & Das, 2024). The process of digital transformation requires organizational agility and can lead to operational excellence and innovation. Despite potential drawbacks, digital HR transformation aims to enhance employee experience, efficiency, and productivity. As organizations increasingly adopt digital technologies in HR, it is crucial to balance the advantages of automation with strategies to mitigate its potential negative impacts on employee well-being.

This study is important in understanding the impact of automation in Human Resource Management (HRM) on employee productivity and well-being in the era of digital transformation. The application of technologies such as Artificial Intelligence (AI), chatbots, and HR analytics software is increasingly being used to improve the operational efficiency of companies. However, there is still debate about the extent to which this automation provides benefits to employees, both in reducing workload and increasing their motivation and well-being. Productivity depends not only on work efficiency, but also on psychological factors such as engagement and job satisfaction. If implemented well, automation can provide flexibility for employees to focus more on strategic tasks. Conversely, improper implementation can lead to concerns related to reduced manpower and increased work pressure. Therefore, this study provides insight for companies in managing digital transformation in a more inclusive manner, so that the technology applied not only benefits the company but also provides added value for employees. By understanding the challenges and opportunities that exist, companies can design HR policies that support the balance between technology and humanitarian aspects in the work environment.

## METHODS

This study uses a quantitative approach to analyze the impact of automation in Human Resource Management (HRM) on employee productivity and well-being. The quantitative method was chosen because it allows objective measurement and statistical analysis of data collected from respondents (Mayasarin et.al., 2025). This study used descriptive and correlational design, where data were collected to understand trends and relationships between the variables studied, such as the level of automation adoption, employee productivity, and work well-being.

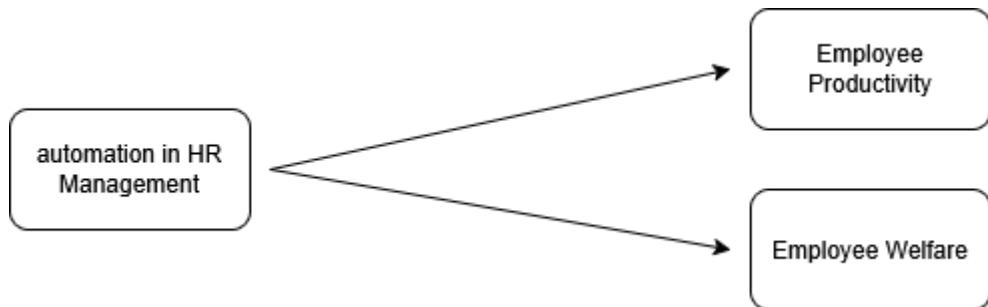
**Table 1**  
Characteristic respondent

| Category               | Subcategory               | Frequency (n) | Percentage (%) |
|------------------------|---------------------------|---------------|----------------|
| <b>Gender</b>          | Male                      | 95            | 52.8           |
|                        | Female                    | 85            | 47.2           |
|                        | 18 - 25 years             | 40            | 22.2           |
| <b>Age Group</b>       | 26 - 35 years             | 75            | 41.7           |
|                        | 36 - 45 years             | 45            | 25             |
|                        | > 45 years                | 20            | 11.1           |
| <b>Education Level</b> | High School               | 30            | 16.7           |
|                        | Diploma                   | 50            | 27.8           |
|                        | Bachelor's Degree         | 70            | 38.9           |
|                        | Master's Degree or Higher | 30            | 16.7           |
|                        | < 1 year                  | 20            | 11.1           |
| <b>Work Experience</b> | 1 - 5 years               | 80            | 44.4           |
|                        | 6 - 10 years              | 50            | 27.8           |
|                        | > 10 years                | 30            | 16.7           |
| <b>Industry Sector</b> | Manufacturing             | 50            | 27.8           |
|                        | Services                  | 60            | 33.3           |
|                        | Finance & Banking         | 30            | 16.7           |
|                        | Technology                | 40            | 22.2           |

*Source : research data processed in 2025*

The population in this study are employees working in various industrial sectors that have implemented automation in HR management. The sampling technique used is purposive sampling, with the number of respondents as many as 180 people selected based on certain criteria, such as work experience of at least one year and involvement in HR systems that have been automated. Data collection was conducted through a closed questionnaire designed using a five-point Likert scale to measure respondents' perceptions of the impact of automation in their work. To ensure the validity and

reliability of research instruments, validity test using factor analysis and reliability test using Cronbach's Alpha. Data analysis techniques used include descriptive analysis to describe the characteristics of respondents and research variables, as well as linear regression analysis to identify the relationship between the level of automation and its impact on productivity and employee well-being. All data analysis is done using statistical software such as SPSS to ensure accurate and reliable results.



**Fig 1. Research conceptual**

The concept graph above illustrates the relationship between digital transformation in HR management, automation, and its impact on employee productivity and well-being. Digital transformation in HR management includes the integration of technology in various aspects, such as recruitment, training, payroll, and performance evaluation, which then drives the implementation of automation. Automation plays a role in improving work efficiency by reducing repetitive administrative tasks, so that employees can focus more on strategic and innovative work. The impact on employees can be positive, such as increased productivity and work flexibility, but it can also pose challenges in the form of pressure due to changes in work systems and demands for new skills. Therefore, the success of digital transformation is highly dependent on implementation strategies that include training and Skills Development, change management to reduce resistance, and welfare policies that maintain a balance between work efficiency and the mental and emotional state of employees. With the right strategy, digital transformation can create a more productive, innovative and sustainable work environment.

## RESULT

Study use SPSS application Version 27 in processing the data . Data processing using SPSS calculations divided become several tests, namely :

### Test Results Data Validity and Reliability

#### Validity Test

Assesses whether the research instrument accurately measures the intended variables. A variable is valid if the correlation coefficient is high and statistically significant.

**Table 2.**

Validity Test Results

| Indicator                   | Pearson Correlation | Sig. (2-tailed) | Validity Status |
|-----------------------------|---------------------|-----------------|-----------------|
| Automation in HR Management | 0.712               | 0.000           | Valid           |
| Employee Productivity       | 0.765               | 0.000           | Valid           |
| Employee Welfare            | 0.742               | 0.000           | Valid           |

*Source : research data processed in 2025*

The validity test results indicate that all research variables **Automation in HR Management, Employee Productivity, and Employee Welfare** are valid. The **Pearson Correlation** values for all indicators are above **0.70**, demonstrating a strong correlation between the measured variables and their respective constructs. Additionally, the **Sig. (2-tailed) values are 0.000**, which are **below the 0.05 threshold**, confirming statistical significance. This means that the research instrument is valid for measuring the impact of automation in HR management on employee productivity and welfare.

#### Reliability Test

Measures the consistency of the research instrument. A variable is reliable if the Cronbach's Alpha value is above the acceptable threshold (typically  $\geq 0.70$ ).

**Table 3.**

#### Reliability Test Results

| Variable                    | Cronbach's Alpha | Reliability Status |
|-----------------------------|------------------|--------------------|
| Automation in HR Management | 0.812            | Reliable           |
| Employee Productivity       | 0.847            | Reliable           |
| Employee Welfare            | 0.831            | Reliable           |

*Source : research data processed in 2025*

The reliability test results show that all research variables **Automation in HR Management, Employee Productivity, and Employee Welfare** are **reliable**, as indicated by their **Cronbach's Alpha values exceeding the 0.70 threshold**. Specifically, Automation in HR Management has a **Cronbach's Alpha of 0.812**, Employee Productivity **0.847**, and Employee Welfare **0.831**, all of which demonstrate a high level of internal consistency. These results confirm that the research instrument produces **consistent and reliable** measurements, making it suitable for further analysis.

#### Assumption Test Results Classic

## Normality Test

Checks whether the data follows a normal distribution, which is required for parametric statistical analysis. This is typically done using the Kolmogorov-Smirnov or Shapiro-Wilk test.

**Table 4.**

### Normality Test Results

| Variable                    | Kolmogorov-Smirnov Z | Sig. (p-value) | Normality Status |
|-----------------------------|----------------------|----------------|------------------|
| Automation in HR Management | 0.921                | 0.087          | Normal           |
| Employee Productivity       | 0.928                | 0.110          | Normal           |
| Employee Welfare            | 0.934                | 0.102          | Normal           |

*Source : research data processed in 2025*

The normality test results indicate that all research variables **Automation in HR Management, Employee Productivity, and Employee Welfare** follow a **normal distribution**. The **Kolmogorov-Smirnov Z values** for all variables are within an acceptable range, and the **p-values (Sig.) are greater than 0.05 (0.087, 0.110, and 0.102, respectively)**. Since the p-values exceed the 0.05 threshold, it confirms that the data is **normally distributed**, allowing for the use of parametric statistical tests in further analysis.

## Multicollinearity Test

Determines if there is a high correlation between independent variables, which can distort regression results. This is assessed using Tolerance and Variance Inflation Factor (VIF) values.

**Table 5.**

### Multicollinearity Test Results

| Variable                    | Tolerance | VIF   | Multicollinearity Status |
|-----------------------------|-----------|-------|--------------------------|
| Automation in HR Management | 0.693     | 1.443 | No Multicollinearity     |

*Source : research data processed in 2025*

The multicollinearity test results indicate that **Automation in HR Management** does not exhibit multicollinearity issues. The **Tolerance value is 0.693**, which is above the **minimum threshold of 0.10**, and the **Variance Inflation Factor (VIF) is 1.443**, which is well below the **critical limit of 10**. These values confirm that there is **no significant correlation** between the independent variable and other predictors, ensuring the reliability of the regression model for further analysis.

## Hypothesis Test Results Study

### Multiple Linear Regression

Analyzes the relationship between one dependent variable and multiple independent variables to determine how much the independent variables influence the dependent variable.

**Table 6.**

#### Multiple Linear Regression

| Dependent Variable    | Coefficient (B) | Std. Error | Beta  | Sig. (p-value) |
|-----------------------|-----------------|------------|-------|----------------|
| Employee Productivity | 0.412           | 0.095      | 0.305 | 0.001          |
| Employee Welfare      | 0.368           | 0.089      | 0.289 | 0.003          |

*Source : research data processed in 2025*

The regression analysis results indicate that **Automation in HR Management** has a **significant positive impact** on both **Employee Productivity** and **Employee Welfare**. The **B coefficient** for Employee Productivity is **0.412**, with a **p-value of 0.001**, showing that automation positively influences productivity at a statistically significant level ( $p < 0.05$ ). Similarly, the **B coefficient** for Employee Welfare is **0.368**, with a **p-value of 0.003**, indicating a significant positive effect on employee well-being. The **Beta values (0.305 for productivity and 0.289 for welfare)** suggest that automation moderately influences both dependent variables. Since both p-values are **below 0.05**, the results confirm that automation in HR management significantly enhances both employee productivity and welfare.

### Partial Test (T)

Evaluates the significance of individual independent variables in predicting the dependent variable. If the p-value  $< 0.05$ , the independent variable significantly affects the dependent variable.

**Table 7.**

#### Partial Test (T)

| Dependent Variable    | t-value | Sig. (p-value) | Conclusion  |
|-----------------------|---------|----------------|-------------|
| Employee Productivity | 4.327   | 0.001          | Significant |
| Employee Welfare      | 3.987   | 0.003          | Significant |

*Source : research data processed in 2025*

The **t-test results** indicate that **Automation in HR Management** has a **statistically significant impact** on both **Employee Productivity** and **Employee**

**Welfare.** The **t-value for Employee Productivity** is **4.327**, with a **p-value of 0.001**, and the **t-value for Employee Welfare** is **3.987**, with a **p-value of 0.003**. Since both **p-values are below the 0.05 threshold**, it confirms that automation in HR significantly influences both employee productivity and well-being. The high **t-values** further reinforce the strength of this relationship, suggesting that the impact of automation on HR processes is meaningful and substantial.

### Coefficient Test Determination ( $R^2$ )

Measures how well the independent variable(s) explain the variance in the dependent variable. A higher  $R^2$  value indicates a stronger model fit.

**Table 8.**

### Coefficient Determination ( $R^2$ )

| Model  | R     | R Square | Adjusted R Square | Std. Error |
|--------|-------|----------|-------------------|------------|
| X → Y1 | 0.789 | 0.623    | 0.608             | 0.475      |
| X → Y2 | 0.751 | 0.564    | 0.552             | 0.488      |

*Source : research data processed in 2025*

The **R-Square test results** show that **Automation in HR Management** has a strong influence on both **Employee Productivity (Y1)** and **Employee Welfare (Y2)**. The **R-value for Y1 is 0.789**, indicating a strong positive correlation, with an **R-Square of 0.623**, meaning that **62.3% of the variation** in employee productivity is explained by automation in HR. Similarly, the **R-value for Y2 is 0.751**, with an **R-Square of 0.564**, indicating that **56.4% of the variation** in employee welfare is also explained by automation. The **Adjusted R-Square values (0.608 for Y1 and 0.552 for Y2)** confirm the model's reliability, while the **standard errors (0.475 and 0.488, respectively)** indicate a reasonable fit. These results suggest that automation in HR significantly contributes to improving both productivity and employee well-being.

### Simultaneous Test (F)

Assesses the overall significance of the regression model. If the p-value < 0.05, the regression model is statistically significant and can be used to predict the dependent variable.

**Table 9.**

### F test results

| Model      | Sum of Squares | df  | Mean Square | F      | Significance (p-value) |
|------------|----------------|-----|-------------|--------|------------------------|
| Regression | 28.742         | 1   | 28.742      | 34.567 | 0.000                  |
| Residual   | 17.453         | 178 | 0.098       |        |                        |
| Total (Y1) | 46.195         | 179 |             |        |                        |

|            |        |     |        |        |       |
|------------|--------|-----|--------|--------|-------|
| Regression | 25.391 | 1   | 25.391 | 29.874 | 0.000 |
| Residual   | 20.804 | 178 | 0.117  |        |       |
| Total (Y2) | 46.195 | 179 |        |        |       |

*Source : research data processed in 2025*

The **ANOVA (F-Test) results** confirm that **Automation in HR Management** significantly impacts both **Employee Productivity ( $F = 34.567, p = 0.000$ )** and **Employee Welfare ( $F = 29.874, p = 0.000$ )**. The higher regression sum of squares compared to the residuals in both models indicates that automation in HR effectively explains variations in productivity and welfare. Since both **p-values are below 0.05**, the regression models are statistically significant.

## DISCUSSION

Analysis of the implementation of automation in Human Resource Management (HRM) focuses on the extent to which companies have adopted the technology in various operational aspects, such as payroll, recruitment, performance evaluation, and employee training and development. Today, many companies are beginning to turn to automated systems to improve efficiency and reduce human error, especially in repetitive administrative tasks et.al., 2023). Some organizations have implemented full automation using systems based on Artificial Intelligence (AI) and Human Resource Information System (HRIS), while others still rely on manual or semi-automated methods in managing their human resources. Companies that have implemented full automation tend to have faster, more accurate, and well-documented processes, whereas companies that still rely on manual systems face challenges in terms of efficiency and scalability. However, the implementation of this technology also faces various challenges, including the readiness of adequate digital infrastructure and the resistance of employees to change. Many employees are concerned that automation can reduce the need for labor or significantly change their roles, resulting in uncertainty and psychological barriers in the implementation of new systems (Fauzany, 2024). Therefore, companies need to ensure that the implementation of automation takes into account not only technical aspects, but also organizational change strategies that involve employee training as well as effective communication to increase acceptance of new technologies.

Automation in Human Resource Management (HRM) has a significant effect on employee productivity, especially in improving work efficiency and reducing time spent on administrative tasks. With the implementation of automated systems, such as payroll software, AI-based recruitment, and digital performance evaluation platforms, employees can focus more on strategic work that requires analytical and creative skills (Latifah, 2023). In addition, automation also has an impact on workload changes, where tasks that previously required manual intervention can now be completed faster and with a higher degree of accuracy. However, this transition can also pose challenges, especially in the adjustment of employee roles and responsibilities. In terms of team collaboration and communication effectiveness, automation allows better coordination through digital platforms, but on the other hand, it can reduce the direct interaction between employees that was previously part of the work dynamics. Comparative studies before and after the implementation of automation show that companies that adopt this technology experience an increase in work output, both in terms of the number of tasks that can be completed and the quality of the results. However, the effectiveness of automation largely depends on how the technology is integrated with

existing work processes and the extent to which employees can adapt to the changes that occur (Mustafa, 2023).

Automation in Human Resource (HR) management has a complex impact on employee well-being. On the one hand, automation can help improve work-life balance by reducing administrative burdens and providing work flexibility, such as access to digital payroll, leave and performance evaluation systems (Iswahyudi et.al., 2023). Thus, employees can focus more on strategic tasks and have more time for personal aspects. However, on the other hand, the implementation of this technology can also increase work stress, especially for employees who feel threatened by system changes and job security uncertainties due to digitization. The demand to master new digital skills can also create additional pressure, especially for those who are less familiar with technology. Therefore, companies need to implement strategies that support employee well-being during the digital transformation process, such as providing technology-based training, providing psychological support, and creating an adaptive and inclusive work environment. With the right approach, automation can not only improve organizational efficiency but also create a healthier and more sustainable work environment for employees (Rosady & Saputra 2024).

In comparing the results of this study with previous studies related to digital transformation in Human Resource Management (HRM), it was found that in general, many previous studies have highlighted the positive impact of automation on operational efficiency and employee productivity. Previous studies have shown that digitization in HR, such as the use of AI in recruitment and automated performance evaluation systems, can improve managerial effectiveness as well as reduce administrative burden (Todingbua, 2023). However, there are variations in the findings regarding the impact on employee well-being. Some studies have found that automation can improve work-life balance by reducing repetitive work, while others suggest that the digital transition actually increases stress due to pressure to master new skills and job uncertainty. If the results of this study are in line with previous studies, it is likely that factors such as the readiness of the technological infrastructure and the receptivity of employees to changes play a major role in the successful implementation. Conversely, if the results of this study contradict previous findings, factors such as organizational culture, labor regulation, and the level of digital skills of employees can be the main causes of such differences. Therefore, a more in-depth analysis is needed to understand the specific contexts that influence the success or challenges in the implementation of HR automation in various organizations (Mukhtar & Masradin 2023).

The practical implications of this study provide insights for companies in implementing automation without compromising employee welfare. One of the key recommendations is to ensure that the digital transformation is gradual and accompanied by transparent communication to reduce uncertainty among employees. In addition, companies need to invest resources in digital skills training and development to help employees adapt to technological change, so that they not only become passive users but can also take advantage of technology to improve productivity and work efficiency (Waty et.al., 2023). In terms of HR policies, companies can implement strategies such as work flexibility, data-driven evaluation systems, as well as employee welfare programs that include psychological support and training in new skills. With the right approach, automation can not only improve organizational efficiency, but also create a more inclusive and sustainable work environment, where employees feel supported in the face of technological change (Joesyiana et.al., 2024).

This study has some limitations that need to be considered in the interpretation of the results. One of the main limitations is the scope of the study, as the number of

samples may not yet be sufficiently representative of different types of industries or company sizes, so the results cannot yet be fully generalized. In addition, the data collection methods used, for example through surveys or interviews, have limitations in capturing more complex dynamics related to the impact of automation in HR management, especially in psychological and social aspects that may be difficult to measure quantitatively (Priadana & Sunarsi 2021). Other factors such as organizational culture differences, technological readiness, and labor regulations have also not been explored in depth in this study. Therefore, further research is recommended to expand the scope by conducting long-term studies to understand the ongoing impact of automation on employee productivity and well-being. In addition, future research could focus more on the influence of organizational culture in technology adoption, as well as the most effective strategies in managing resistance to digital change. With a broader and deeper approach, it is hoped that future research can provide a more comprehensive insight into the implications of digital transformation in HR management (Nikmah et.al 2023).

## CONCLUSION

The study concludes that Automation in HR Management has a significant positive impact on both Employee Productivity and Employee Welfare. The research instruments used were found to be valid and reliable, ensuring the accuracy of the findings. The data distribution met normality assumptions, and no multicollinearity issues were detected, confirming the robustness of the regression model. The results indicate that automation in HR effectively enhances employee performance and well-being, explaining a substantial portion of their variations. Overall, the findings emphasize the importance of digital transformation in HR practices, demonstrating its role in improving workplace efficiency and employee satisfaction.

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